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Cassis Calls it Like it Is *Senator's Law True to Taxpayers*

LANSING—State Senator Nancy Cassis (R-Novi) reaffirmed her commitment to making Michigan a leader in taxpayer-friendly laws. Legislation renaming the Report on Tax Expenditures to the Report on Credits, Deductions, and Exemptions, which Cassis sponsored as chair of the Senate Finance Committee, was signed into law today as Public Act 38 of 2003.

“The term ‘tax expenditure’ is illogical, inappropriate, and outdated. Calling it a report on credits, deductions, and exemptions accurately states what is included in the report,” Cassis said. “Using the term tax expenditures pre-supposes that everything is taxable.”

The Report on Tax Expenditures is a list from within the Michigan Department of Treasury of all tax credits, deductions, and exemptions that taxpayers may be eligible for when filing their taxes. Originally, the report included the term ‘expenditure’ because the philosophy was that giving families and businesses tax breaks are funds foregone by Michigan.

Sen. Cassis disagrees. “Michigan must be a leader in making the tax system more understandable. While other states continue to use this outdated terminology, Michigan must be true to its taxpayers,” Cassis said. “It is not the government’s money in the first place; therefore the items in the report should not be referred to as foregone expenditures. This report is a list of ways families and businesses can keep more of their hard earned money through tax credits, deductions, and exemptions.”

States like California, Oregon, and others including the federal government continue to use the term ‘expenditures’. Cassis hopes that they follow Michigan’s lead to ensure that all taxpayers are aware of the benefits they may be entitled to.

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